08-20-04

3628

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PTO/SB/21 (6/98)
Approved for use through 9/30/2000. OMB 0651-0031
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TRANSMITTAL FORM

(To be used for all correspondence after initial filing)

Total Number of Pages in this Submission:

Application No.	09/901,954
Filing Date	July 10, 2001
First Named Inventor	James Templeton
Group Art Unit	3628
Examiner Name	Nga B. Nguyen
Attorney Docket No.	PAY00-003

ENCLOSURES *(check all that apply)*

- [X] Fee Transmittal Form
  - [X] Fee attached
- [ ] Amendment/Response
  - [ ] After Final
  - [ ] Affidavit/Declaration(s)
- [ ] Extension of Time Request
- [ ] Express Abandonment Request
- [ ] Information Disclosure Statement
- [ ] Certified Copy of Priority Document(s)
- [ ] Response to Missing Parts Notice/ Incomplete Application
  - [ ] Response to Missing Parts under 37 CFR 1.52 or 1.53
- [ ] Assignment Papers for an application
- [ ] Drawing(s)
- [X] Request for Pre-First Office Action Interview
- [X] Statement of the State of the Art at the Time of the Invention
- [X] Petition to Make Special Under 37 CFR §1.102 and MPEP 708.02
- [X] Copy of International Search Report
- [ ] Change of Correspondence Address
- [ ] Terminal Disclaimer
- [ ] Request for Refund
- [ ] After-Allowance Communication to Group
- [ ] Appeal Communication to Board of Appeals and Interferences
- [ ] Appeal Communication to Group *(Appeal Notice, Brief, Reply Brief)*
- [ ] Proprietary Information
- [ ] Status Letter
- [X] Additional Enclosure(s):
  - [X] Return Receipt Postcard
  - [X] Check for $ 130.00
  - [X] Discussion of the References already of record

Remarks:

Enclosed is a request for a pre-first office action interview, in accordance with the program advertised in the Official Gazette, 27 April 2004.

SIGNATURE OF APPLICANT, ATTORNEY OR AGENT

Name	Daniel E. Vaughan (Registration No. 42,199)	*Date*	August 19, 2004
Signature	Daniel E. Vaughan	*Telephone*	650/474-1973
Address	702 Marshall Street, Suite 310, Redwood City, CA 94063	*Facsimile*	650/474-1976

CERTIFICATE OF MAILING

I hereby certify that this correspondence is being deposited with the U. S. Postal Service as [X] **Express Mail** (No. EV 548 596 078 US) or

[ ] **First Class Mail** in an envelope addressed to: Assistant Commissioner for Patents, Washington, D.C. 20231 on: August 19, 2004

Type or Printed Name	Daniel E. Vaughan	*Signature*	Daniel Vaughan

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PTO/SB/17 (11-00)
Approved for use through 10/31/2002. OMB 0651-0032
U.S. Patent and Trademark Office: U.S. DEPARTMENT OF COMMERCE

FEE TRANSMITTAL for FY 2004

Patent fees are subject to annual revision.

TOTAL AMOUNT OF PAYMENT ($) 130

Complete if Known	
Application Number	09/901,954
Filing Date	July 10, 2001
First Named Inventor	Templeton
Examiner Name	Nga B. Nguyen
Group Art Unit	3628
Attorney Docket No.	PAY00-003

METHOD OF PAYMENT (check one)

1. ☒ The Commissioner is hereby authorized to charge indicated fees and credit any overpayment to:

Deposit Account Number: 50-1801

Deposit Account Name: Park, Vaughan & Fleming LLP

☒ Charge any Additional Fee Required Under 37 CFR 1.16 and 1.17

☐ Applicant claims small entity status. See 37 CFR 1.27

2. ☒ **Payment Enclosed:**
☒ Check ☐ Credit card ☐ Money Order ☐ Other

FEE CALCULATION

1. BASIC FILING FEE

Large Entity Fee Code	Large Entity Fee ($)	Small Entity Fee Code	Small Entity Fee ($)	Fee Description	Fee Paid
1001	770	2001	385	Utility filing fee	
1002	340	2002	170	Design filing fee	
1003	530	2003	265	Plant filing fee	
1004	770	2004	385	Reissue filing fee	
1005	160	2005	80	Provisional filing fee	

SUBTOTAL (1) ($)

2. EXTRA CLAIM FEES

	Extra Claims		Fee from below	Fee Paid
Total Claims		-20**=		X		
Independent Claims		-3 ** =		X		
Multiple Dependent						

***or number previously paid, if greater; For Reissues, see below*

Large Entity Fee Code	Large Entity Fee ($)	Small Entity Fee Code	Small Entity Fee ($)	Fee Description
1202	18	2202	9	Claims in excess of 20
1201	86	2201	43	Independent claims in excess of 3
1203	290	2203	145	Multiple dependent claim
1204	86	2204	43	** Reissue independent claims over original patent
1205	18	2205	9	** Reissue claims in excess of 20 and over original patent

SUBTOTAL (2) ($)

FEE CALCULATION (continued)

3. ADDITIONAL FEES

Large Entity Fee Code	Large Entity Fee ($)	Small Entity Fee Code	Small Entity Fee ($)	Fee Description	Fee Paid
1051	130	2051	65	Surcharge – late filing fee or oath	
1052	50	2052	25	Surcharge – late provisional filing fee or cover sheet.	
1053	130	1053	130	Non-English specification	
1812	2520	1812	2520	Request for *ex parte* reexamination	
1804	920*	1804	920*	Requesting publication of SIR prior to Examiner action	
1805	1840*	1805	1840*	Requesting publication of SIR after Examiner action	
1251	110	2255	55	Extension for reply within first month	
1252	420	2252	210	Extension for reply within second month	
1253	950	2253	475	Extension for reply within third month	
1254	1480	2354	740	Extension for reply within fourth month	
1255	2010	2255	1005	Extension for reply within fifth month	
1401	330	2401	165	Notice of Appeal	
1402	330	2402	165	Filing a brief in support of an appeal	
1403	290	2403	145	Request for oral hearing	
1451	1510	1451	1510	Petition to institute a public use proceeding	
1452	110	2452	55	Petition to revive – unavoidable	
1453	1330	2453	665	Petition to revive – unintentional	
1501	1330	2501	665	Utility issue fee (or reissue)	
1502	480	2502	240	Design issue fee	
1503	640	2503	320	Plant issue fee	
1460	130	1460	130	Petitions to the Commissioner	130
1807	50	1807	50	Processing fee for provisional applications	
1806	180	1806	180	Submission of Information Disclosure Stmt	
8021	40	8021	40	Recording each patent assignment per property (times number of properties)	
1809	770	2809	385	Filing a submission after final rejection (37 CFR 1.129(a))	
1810	770	2810	385	For each additional invention to be examined (37 CFR 1.129(b))	
1801	770	2801	385	Request for Continued Examination (RCE)	
1802	900	1802	900	Request for expedited examination of a design application	

Other fee (specify)_____

* Reduced by Basic Filing Fee Paid

SUBTOTAL (3) ($) 130

SUBMITTED BY				Complete (if applicable)	
Name (Print/Type)	Daniel E. Vaughan	Registration No. (Attorney/Agent)	42,199	Telephone	650-474-1973
Signature	Daniel E. Vaughan			Date	August 19, 2004

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Attorney's Docket No.: PAY00-003

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

First Named Inventor	:	Templeton, *et al.*
Application No.	:	09/901,954
Filed	:	July 10, 2001
Docket	:	PAY00-003
Title	:	System and Method for Verifying a Financial Instrument
Group/Art Unit	:	3628
Examiner	:	Nga B. Nguyen

REQUEST FOR PRE-FIRST OFFICE ACTION INTERVIEW

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

This is a request for a pre-first office action interview, in accordance with the program advertised in the Official Gazette, 27 April 2004. This request is accompanied by the following:

-- A Petition to Make Special under MPEP 708.02, including:
  --- The fee required by 37 CFR 1.17(h); and
  --- A copy of a pre-examination search (ISR);
-- A Statement of the State of the Art at the time of the invention; and
-- A detailed discussion of the references deemed most closely related to the subject matter of the application.

Respectfully submitted,

Dated: August 19, 2004

By: Daniel E. Vaughan 42,199
Daniel E. Vaughan (Registration No.)

Park, Vaughan & Fleming LLP
702 Marshall Street, Suite 310
Redwood City, CA 94063
(650) 474-1973 voice
(650) 474-1976 facsimile

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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

First Named Inventor	:	Templeton, *et al.*
Application No.	:	09/901,954
Filed	:	July 10, 2001
Docket	:	PAY00-003
Title	:	System and Method for Verifying a Financial Instrument
Group/Art Unit	:	3628
Examiner	:	Nga B. Nguyen

STATEMENT OF THE STATE OF THE ART AT THE TIME OF THE INVENTION

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

In association with the accompanying Request for a pre-First Office Action Interview for the application described above, the following general statement of the state of the art at the time of the invention is provided.

At the time the subject invention was developed, to Applicant's knowledge, there was no effective electronic method for verifying a user's financial instrument (e.g., bank account, credit card) online. Methods existed for verifying a financial instrument in person – by checking a user's photo identification, verifying signatures, etc. However, in the online world these methods are unusable. As a consequence of the inability to verify a financial instrument online, a merchant would be at the risk of incurring a "chargeback" if it accepted a credit card or other instrument and that instrument turned out to be stolen or fraudulent. A merchant might, therefore, limit the dollar amount that a new customer might charge to or against a financial instrument, perhaps until one or more charges cleared and a level of trust could be established. Indeed, a merchant may have depended upon a successful transaction to "verify" the instrument used for that transaction.

Respectfully submitted,

Dated: August 19, 2004

By:  42,199
Daniel E. Vaughan (Registration No.)

Park, Vaughan & Fleming LLP
702 Marshall Street, Suite 310
Redwood City, CA 94063
(650) 474-1973 voice
(650) 474-1976 facsimile

Attorney's Docket No.: PAY00-003

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

First Named Inventor	:	Templeton, *et al.*
Application No.	:	09/901,954
Filed	:	July 10, 2001
Docket	:	PAY00-003
Title	:	System and Method for Verifying a Financial Instrument
Group/Art Unit	:	3628
Examiner	:	Nga B. Nguyen

PETITION TO MAKE SPECIAL UNDER 37 CFR §1.102 and MPEP 708.02

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

This is a petition to make special the application described above, as provided for in 37 CFR § 1.102 and MPEP 708.02, subsection VIII. This petition is accompanied by the following:

-- The fee prescribed by 37 CFR 1.17(h);

-- A detailed discussion of the references deemed most closely related to the subject matter of the application (the references were previously submitted via IDS); and

-- A copy of a pre-examination search (ISR) made by the International Search Authority (ISA)/EP, using IPC classification G07F.

All claims of the application are believed to be directed to a single invention.

08/23/2004 EAREGAY1 00000042 09901954
01 FC:1460 130.00 OP

Respectfully submitted,

Dated: August 19, 2004

By: Daniel E. Vaughan 42,199
Daniel E. Vaughan (Registration No.)

Park, Vaughan & Fleming LLP
702 Marshall Street, Suite 310
Redwood City, CA 94063
(650) 474-1973 voice
(650) 474-1976 facsimile

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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

First Named Inventor	:	Templeton, *et al.*
Application No.	:	09/901,954
Filed	:	July 10, 2001
Docket	:	PAY00-003
Title	:	System and Method for Verifying a Financial Instrument
Group/Art Unit	:	3628
Examiner	:	Nga B. Nguyen

DISCUSSION OF REFERENCES

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

In association with the accompanying Request for a pre-First Office Action Interview and the Petition to Make Special regarding the application described above, the following description of the most closely references is provided. The references are already of record.

I. US Patent Application 10/018,237, derived from DE Patent 199 26 472 (Hogl)

The enclosed translation of the US Hogl application (previously submitted via IDS) is believed to claim priority to international patent application PCT/EP00/05359 (publication WO 00/77754), which claims priority to DE Patent 199 26 472. Hogl describes a method for transmitting a code to a user – a personal code intended to be used to facilitate identification of the user when buying or selling goods (Hogl, page 2, lines 12-15; page 1, lines 3-8; page 7, lines 1-2).

According to Hogl (page 5, line 7 to page 6, line 30), a user input unit submits financial account identifier information (e.g., credit card number, bank account number) to a code allocation unit. The code allocation unit forwards the financial account identifier information to a financial institution, along with additional information that may include details of a money transfer and a code to be sent to the user. The financial institution attempts to perform the specified money transfer and, if successful, forwards the additional information to the user.

Thus, Hogl causes a personal code (e.g., a PIN) for a credit card or bank account to be returned to a user (page 6, lines 22-25). The personal code is to be used for later purchases of goods or services (page 1, lines 3-8), and does not require the user to verify details of any transactions.

In the present invention, a user is required to verify details of one or more transactions involving a selected financial instrument (e.g., a bank account or credit card). Only then can the user employ the instrument (e.g., to make purchases, transfer money). For example, in one embodiment of the invention, a system makes one or more credits or debits to the instrument. The user must then verify transaction information specified by the system, such as the amount, type of transaction, number of transactions, payor, payee, etc. Only after the user verifies the details can he or she use the financial instrument as desired.

The independent method claims of the present application and corresponding computer readable medium claims (claims 1, 13, 25, 27 and 29) each recite: the storing of one or more details or attributes of a set of transactions initiated by the system for a user's financial instrument, the receipt from a user of details to compare to the stored details, and the comparison of the stored and received details. Only if the details match does the system allow the user to use the financial instrument. Apparatus/system claims 30 and 39 recite components that: store the stored details, receive a set of test or comparison details from a user, and compare the details.

In relation to claim 1, Hogl specifically fails to teach "storing one or more attributes of said one or more transactions." As described in the present patent, the stored attributes may comprise various details of the transactions, which the customer will later have to verify. No separate personal code (e.g., PIN) need accompany the transactions, as required in Hogl. Hogl states that "the code to be transmitted is being transmitted as additional information with this transfer. The term 'additional information' refers to any information transmitted in association with, the money transfer" (page 6, lines 4-6). Because the code allocation unit of the Hogl system is intended to be used to pass a personal code, it need not retain transaction details.

Further, Hogl does not teach "receiving a set of proffered attributes" of the transaction, which is also recited in claim 1. Because the system is designed to pass a personal code to the user, that is all the user needs to later provide in order to purchase goods or services. Because Hogl does not require a user to proffer attributes of the transactions, Hogl also cannot anticipate the "comparing" and "accepting" elements of claim 1.

II. U.S. Patent Publication No. 2002/0077837 (Krueger)

Krueger describes a Networked Transaction System involving three entities: a user, a merchant and a verification system (Figure 2; paragraph 0011). The following process is described: the user contacts the merchant to initiate a transaction; the merchant transmits details of the transaction to the verification system, including the user's payment card number; the verification system returns a transaction ID and verification data string to the merchant; the merchant redirects the user to the transaction system, using the transaction ID as part of the address; the user provides the transaction system with a PIN for the payment card; the verification system combines the transaction details received from the merchant with the payment information and initiates payment; if successful, the transaction system redirects the user back to the merchant and passes the transaction ID and a unique verification; the merchant compares the unique verification with the verification data string it previously received from the transaction system (paragraph 0011).

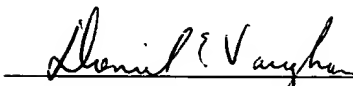
In the present invention, a user is required to verify details of one or more transactions involving a selected financial instrument (e.g., a bank account or credit card). Only then can the user employ the instrument (e.g., to make purchases, transfer money). For example, in one embodiment of the invention, a system makes one or more credits or debits to the instrument. The user must then verify transaction information specified by the system, such as the amount, type of transaction, number of transactions, payor, payee, etc. Only after the user verifies the details can he or she use the financial instrument as desired.

Krueger does not describe a system that makes credits or debits to a user's financial instrument in order to verify that instrument. Krueger therefore cannot describe a system that requires a user to obtain and submit details of such credits or debits. Krueger also does not describe a system that requires a user's financial instrument to be verified before it can be used.

More particularly, using claim 1 of the present application as an example, Krueger does not teach "initiating one or more transactions using a financial instrument identified by a customer." The verification system of Krueger, at best, conducts a transaction on a payment card identified by a *merchant*. Krueger also does not teach "receiving a set of proffered attributes" and "comparing said proffered attributes to said stored attributes." Indeed, all that the verification system appears to receive from a user is the user's PIN, which is not compared to any stored data. Further, because Krueger's verification system does not do any comparison, it cannot teach "accepting use of the financial instrument by the customer if said proffered

attributes match said stored attributes."

Respectfully submitted,

Dated: August 19, 2004 By:  42,199

Daniel E. Vaughan (Registration No.)

Park, Vaughan & Fleming LLP
702 Marshall Street, Suite 310
Redwood City, CA 94063
(650) 474-1973 voice
(650) 474-1976 facsimile

Method for transmitting a code

The present invention relates to a method for transmitting a code to a user.

Traditionally, companies offering services or selling goods are used to issuing personal codes to users who intend to buy or use the goods or services in order to facilitate identification of the users with the company. Furthermore, financial institutions, for example, are used to issuing personal identification numbers (PINs) to their customers to enable them to withdraw money from ATMs, conduct financial transactions, standing orders or use other services through a computer. Whenever a user initiates the first contact to such a company there is the problem of transmitting the personal code to him or her securely with minimal expense. Traditionally, personal codes will be handed over personally or sent by mail. Although both transmission methods are relatively secure, the expense associated with it is relatively high. It is either necessary to prepare a special tamper-proof letter, thereby ensuring that no third party can get information about the code without opening the letter, or the user has to show up in person with a company representative and submit a means of identification, for example his passport, in order to have his or her identity checked. Furthermore, companies, especially those offering online services, are used to transmitting personal codes via e-mail. Although this transmission method is very simple, it is also very insecure.

Once a personal code has been transmitted to a user, there is the additional problem of how to conduct future payment transactions with the user when he or she is buying or using the company's goods or services. The so-called direct debit method has been proven to be especially advantageous for conducting payment transactions. With this method, the user agrees in advance to have amounts of money transferred from his or her bank corresponding to the goods or services bought or used, thereby eliminating the need to explicitly confirm every single transaction in the future. With this method, the company submits the user's financial account identifier and the amount to be transferred to the user's financial institution. This can be especially simply effected by an electronic storage media, for example a diskette, or by an online remote data connection. The financial institution verifies the financial account identifier information and, after positive verification, transfers the respective amount of money from the

user's account to the company's account. For the company conducting this direct debit method, there is the problem of guaranteeing that all data submitted to the financial institution are correct. For example, if the financial account identifier information cannot be assigned to a valid bank account, the financial institution will reject the transaction and levy relatively high charges to the company. Consequently, with new users, there is the added problem of verifying financial account identifier information along with transmitting personal codes in order to prevent problems with future payment transactions. Such a verification is very expensive and difficult, especially for a company that neither has personal contact with a new user nor, for example, any means of physically checking his or her credit card or ATM card at least shortly. Consequently, companies are used to omitting verification of financial account identifier information provided by new users, thereby disadvantageously incurring the risk of fraud and invalid transactions.

It is therefore the object of the present invention to provide a method for transmitting a code to a user which is secure, causes minimal expense and, therefore, costs associated with the transmission, and additionally provides a means for verifying financial account identifier information provided by the user.

This object is accomplished by the method according to claim 1, whereby advantageous modifications can be seen from the dependent claims.

According to the invention, the user transmits his or her financial account identifier information to a code allocation unit. Said code allocation unit transfers an amount of money to the financial institution specified by the user and/or transfers an amount of money from the financial institution specified by the user, thereby submitting the account identifier information and the code to be transmitted as additional information with this transfer and/or this debit. After having executed the transfer and/or the debit, the financial institution forwards a receipt for the transfer and/or debit together with the additional information to the user.

Advantageously, the invention provides a very secure transmission method. The secrecy of the transmission channel is guaranteed by the financial institution, as transaction details of the transfer or debit will not be divulged to any person outside a select group of confidential staff

and, furthermore, only the legitimate user has access to his or her transfer or debit transaction receipts.

Furthermore, the method according to the invention provides a proof that the code has been transmitted to the account specified by the financial account identifier information through the additional information with the transfer or debit. The financial institution thus acts as an independent third party confirming the transaction. Consequently, the user will later not be able to repudiate having received the code. Thus, the transmission method according to the invention is almost equivalent to a registered letter, but less expensive and causes less effort.

In an advantageous embodiment of the invention, a verification unit of the financial institution, prior to executing the transfer and/or debit verifies the transfer and/or debit, data submitted by the allocation unit as to whether they can be assigned to a valid financial account of the user. In the case of a positive verification, the financial institution executes the transfer and/or debit initiated by the allocation unit. This measure ensures that the transfer and/or debit will not be executed unless there is a valid account of the user with the financial institution. For example, if his or her account is temporarily closed or non-existent, an invalid transaction can be avoided. Consequently, the method according to the invention obviates the need for separately verifying financial account identifier information or incurring future costs associated with invalid direct cjebil transactions.

Advantageously, in the case the verification of the financial account identifier information is negative, the verification unit of the financial institution transmits this result to the code allocation unit. In the code allocation unit, it can thus be decided whether to refrain from issuing a personal code to the user but rather contact him or her through another communication channel, if necessary.

Advantageously, the user furthermore submits identification data to the code allocation unit. These identification data are being submitted together with the account identifier information when initiating the transfer and/or debit. The verification unit verifies the identification data in combination with the account identifier information. Thus, not only the principal validity of the

account identifier information can be verified, but also whether the account identifier information matches the specified user.

The transmission of the identification data and/or financial account identifier information of the user, the money transfer and/or debit and/or the transmission of the transfer or debit transaction receipt can advantageously be effected by a remote data connection. This can facilitate the method according to the invention very much. Furthermore, by using a remote data connection, the code can very quickly be transmitted to the user. The remote data connection can, for example, be effected through a computer network and or an automatic telephone interface, for example an interactive voice response system.

In an advantageous embodiment of the method according to the invention, the code consists of at least two partial codes, whereby one code is being transmitted by the method according to the invention as an additional information with the transfer and/or debit and another partial code is being transmitted to the user by an alternate transmission method. This embodiment has the advantage that a third party, even in the case of getting access to the code transmitted by the method according to the invention, is being prevented from using it fraudulently, because the resulting code effectively used later consists of the at least two partial codes. Even if the other partial code is being transmitted by a relatively insecure method, such as the internet or the telephone, the probability of a third party getting access to both partial codes is very low. This embodiment thus provides a very secure code transmission method.

Advantageously, the identification data transmitted by the user to the allocation unit comprise at least the user's full name. Furthermore, the financial account identifier information transmitted by the user to the code allocation unit comprises at least the bank account number or credit card number and/or the name or bank code number of the financial institution or the credit card company.

Furthermore, the financial institution can also forward a transfer or debit transaction receipt to the allocation unit. Thus, through the receipts of the financial institution, not only the user, but also the party operating the code allocation unit will be advantageously provided with a means of proving the code transmission. This embodiment of the method according to the invention is

almost equivalent to a registered letter with delivery confirmation, avoiding the drawbacks associated with sending letters.

Embodiments of the method according to the invention will be described in detail with references to the enclosed figure.

The figure schematically depicts a system for conducting the method according to the invention.

Reference number 1 refers to an input unit of a user intending to obtain a code from a company, for example, in order to use the company's services. The input unit can, for example, be a computer or a telephone system. The company features a code allocation unit 3. This code allocation unit 3 can, for example, be the company's central computer or a system of connected single computers. The code to be allocated can be any information submitted to a user in order to enable him to identify himself or herself to any party. The code can be a permanent personal access code such as a PIN. Furthermore, the code can be a one-time code such as a TAN (transaction number).

The user's input unit 1 and the company's allocation unit 3 are connected by some form of remote data connection 2. The remote data connection can, for example, be a computer network such as the internet or an automatic telephone interface such as an interactive voice response system. The user transmits his or her financial account identifier information through the input unit 1 via the remote data connection 2 to the code allocation unit 3. In this context, the term "financial account identifier information" refers to any collection of data that allow to establish some form of financial transaction with the user. The term "financial institution" generally refers to an entity through which financial transactions can be conducted. Obviously, the term also comprises a network of single institutions, for example the user's bank, the company's bank and for example, the ACH (Automated Clearing House). The financial transactions can thus be effected, for example, through an account with a financial institution, such as a bank or savings bank, or a credit card account. The financial account identifier information provided by the user comprises of his or her bank account number or credit card number and the name or bank code number of his or her financial institution or credit card company.

The code allocation unit 3 then transfers an amount of money to the financial institution specified by the user, thereby submitting the financial account identifier information and, if necessary, the user's identification data. After the new user's data have been transmitted, the money transfer can be effected automatically. Furthermore, the code to be transmitted is being transmitted as additional information with this transfer. The term "additional information" refers to any information transmitted in association with, the money transfer. This information can be transmitted in unencrypted or encrypted form, additionally to the money transfer data or contained therein.

Such transmissions can, for example, be effected in the following ways: with a money transfer to a financial institution, a payment reference can be specified. This payment reference can indicate the code to be transmitted. Advantageously, a very small amount of money, for example EUR 1.00 is being transferred. Furthermore, the code to be transmitted can be contained within the amount of money to be transferred. For example, if the code 14.98 is to be transmitted, an amount of EUR 14.98 could be transferred. The amount transferred can later be billed as an expense to the user. The money transfer can be effected through a remote data connection 4 between the code allocation unit 3 and the financial institution 5.

The financial institution 5 advantageously features a verification unit which verifies the money transfer data received from the code allocation unit as to whether they can be assigned to a valid financial account of the user. For example, it is being verified whether the account number exists and, if applicable, whether it exists for the specified user. In the case of a positive validation, the financial institution 5 executes the money transfer initiated by the allocation unit 3 and credits the respective amount of money to the users account. A receipt for the money transfer together with the additional information is being transmitted to the user via another connection 6, which can also be a remote data connection 6 such as a computer network or an automatic telephone interface. Furthermore, it is possible to forward the receipt to the user by an account balance statement printer.

Additionally, the financial institution 5 can also forward a receipt for the money transfer to the allocation unit 3 in order to provide the party operating the code allocation 3 unit with a means of proving the code transmission.

The method according to the invention provides an especially simple way of transmitting a personal code to a new user. All the user has to know is how to extract the code from the additional information associated with the money transfer. This can be communicated by the company issuing the code or by another party, for example over the internet in a public forum.

Simultaneously with the transmission, it is verified that the financial account identifier information is correctly specified by the user, because only by doing so will he or she be able to receive the money transfer. This is especially important for future payment transactions between the user and the company offering services or selling goods. Furthermore, the user will receive his or her code very quickly, as the time needed for the transmission depends only on the time needed for the money transfer by the financial institution 5.

It is being remarked that the term "remote data connection" not only refers to an online connection, but also to offline connections, as long as some form of data transfer between the respective units is effected. For example, it could also be possible to ship data storage media.

If the verification unit of the financial institution 5 yields a verification result indicating that the account identifier information submitted is invalid, the financial institution 5 does not carry out the money transfer. Advantageously, this result is being transmitted to the verification and allocation unit via a remote data connection 4. In this case, it can thus be decided in the code allocation unit whether to initiate another contact to the user 1, for example through the remote data connection 2, or whether to refrain from issuing a personal code to the respective user.

In another embodiment of the method according to the invention, the code to be used later by the new user consists of two or more partial codes. For example, the first partial code represents the first four digits of the effective code and the second partial code represents the last four digits. The effective code could, for example, also be generated by multiplying the two partial codes or by applying some other computation known to the user. One partial code is being transmitted to the user using the method according to the invention and the other partial code or a plurality of other partial codes by an alternate transmission method that may be not so secure. For example, the second partial code can be sent over a computer network such as the internet to the user.

This embodiment of the method provides an increased level of security because an unauthorized person, even when getting access to the partial code transmitted by the method according to the invention, still has no information about the resulting code effectively used later. The probability of that person getting access to both or all partial codes is very low.

In another embodiment of the invention, the code transmission will be effected by a debit rather than a transfer of a small amount of money from the financial institution specified by the new user. With this debit as well, the account identifier information and as additional information the code to be transmitted are specified. The method used in this embodiment of the invention corresponds to the method described above, whereby in each case a debit rather than a transfer is executed.

Furthermore, both a transfer and a debit of the same amount of money can be executed simultaneously. Although this method slightly increases the expense, however it will have a neutral effect on the new user's account balance.

CLEAN VERSION OF ALL PENDING CLAIMS

1. (Amended) A method for transmitting a code to a user by means of a code allocation unit, comprising the following steps:

   the user transmits his or her financial account identifier information to the code allocation unit;

   the code allocation unit transfers an amount of money to a financial institution specified by the user and/or transfers an amount of money from the financial institution, thereby submitting the account identifier information and the code to be transmitted as additional information with this transfer and/or this debit; and

   the financial institution forwards a receipt for the transfer and/or debit together with the additional information to the user.

2. (Amended) The method of claim 1, wherein, prior to the financial institution executing the transfer and/or debit, a verification unit of the financial institution verifies the transfer and/or debit data submitted by the allocation unit as to whether they can be assigned to a valid account of the user, and, in the case of a positive verification, the financial institution executes the transfer and/or debit initiated by the allocation unit.

3. (Amended) The method of claim 2, wherein, in the case of a negative verification by the verification unit, this result is transmitted to the allocation unit by the verification unit.

4. (Amended) The method according to claim 2, wherein

   the user furthermore transmits identification data to the code allocation unit;

   the code allocation unit submits the identification data together with the account identifier information when initiating the transfer and/or debit; and

   the verification unit verifies the identification data in combination with the account identifier information.

5. (Amended) The method according to claim 4, wherein the transmission of the identification data and/or financial account identifier information of the user and/or the money transfer and/or debit are being effected by a remote data connection.

6. (Amended) The method according to claim 1, wherein in the transmission of the transfer or debit transaction receipt with the additional information is effected by a remote data connection and/or by an account balance statement printer.

7. (Amended) The method according to claim 6, wherein the remote data connection is a computer network or an automated telephone interface.

8. (Amended) The method according to claim 1, wherein
the code consists of at least two partial codes: and
one partial code is being transmitted as additional information with the transfer and/or debit and another partial code is being transmitted by an alternate method to the user.

9. (Amended) The method according to claim 4, wherein the identification data comprise at least the user's full name.

10. (Amended) The method according to claim 1, wherein the account identifier information referring to the financial institution comprises at least the bank account number and/or credit card number of the user and/or the name or bank code number of the financial institution or the credit card company.

11. (Amended) The method according to claim 1, characterized in that the financial institution also forwards a receipt for the transfer and/or debit to the allocation unit.

Abstract

The present invention relates to a method for transmitting a code to a user in which the user transmits his or her financial account identifier information to a code allocation unit 3, the code allocation unit 3 transfers an amount of money to the financial institution 5 specified by the user and/or transfers an amount of money from the financial institution 5 specified by the user, thereby submitting the account identifier information and the code to be transmitted as additional information with this transfer and/or this debit, and the financial institution 5 forwards a receipt for the transfer and/or debit together with the additional information to the user.

Figure

PATENT COOPERATION TREATY

From the INTERNATIONAL SEARCHING AUTHORITY

PCT

NOTIFICATION OF TRANSMITTAL OF THE INTERNATIONAL SEARCH REPORT OR THE DECLARATION

(PCT Rule 44.1)

To:
PARK VAUGHAN & FLEMING LLP
Attn. Vaughan , Daniel
702 MARSHALL STREET
SUITE 310
REDWOOD CITY, CA 94063
UNITED STATES OF AMERICA

Applicant's or agent's file reference PAYOO-003PCT	**FOR FURTHER ACTION** See paragraphs 1 and 4 below
International application No. PCT/US 01/ 21725	International filing date *(day/month/year)* 10/07/2001
Applicant PAYPAL, INC.	Date of mailing *(day/month/year)* 29/08/2002

1. [X] The applicant is hereby notified that the International Search Report has been established and is transmitted herewith.

Filing of amendments and statement under Article 19:
The applicant is entitled, if he so wishes, to amend the claims of the International Application (see Rule 46):

When? The time limit for filing such amendments is normally 2 months from the date of transmittal of the International Search Report; however, for more details, see the notes on the accompanying sheet.

Where? Directly to the International Bureau of WIPO
34, chemin des Colombettes
1211 Geneva 20, Switzerland
Fascimile No.: (41-22) 740.14.35

For more detailed instructions, see the notes on the accompanying sheet.

2. [ ] The applicant is hereby notified that no International Search Report will be established and that the declaration under Article 17(2)(a) to that effect is transmitted herewith.

3. [ ] **With regard to the protest** against payment of (an) additional fee(s) under Rule 40.2, the applicant is notified that:

[ ] the protest together with the decision thereon has been transmitted to the International Bureau together with the applicant's request to forward the texts of both the protest and the decision thereon to the designated Offices.

[ ] no decision has been made yet on the protest; the applicant will be notified as soon as a decision is made.

4. **Further action(s):** The applicant is reminded of the following:

Shortly after **18 months** from the priority date, the international application will be published by the International Bureau. If the applicant wishes to avoid or postpone publication, a notice of withdrawal of the international application, or of the priority claim, must reach the International Bureau as provided in Rules 90*bis*.1 and 90*bis*.3, respectively, before the completion of the technical preparations for international publication.

Within **19 months** from the priority date, a demand for international preliminary examination must be filed if the applicant wishes to postpone the entry into the national phase until 30 months from the priority date (in some Offices even later).

Within **20 months** from the priority date, the applicant must perform the prescribed acts for entry into the national phase before all designated Offices which have not been elected in the demand or in a later election within 19 months from the priority date or could not be elected because they are not bound by Chapter II.

Name and mailing address of the International Searching Authority European Patent Office, P.B. 5818 Patentlaan 2 NL-2280 HV Rijswijk Tel. (+31-70) 340-2040, Tx. 31 651 epo nl, Fax: (+31-70) 340-3016	Authorized officer María Rodríguez Nóvoa

NOTES TO FORM PCT/ISA/220

These Notes are intended to give the basic instructions concerning the filing of amendments under article 19. The Notes are based on the requirements of the Patent Cooperation Treaty, the Regulations and the Administrative Instructions under that Treaty. In case of discrepancy between these Notes and those requirements, the latter are applicable. For more detailed information, see also the PCT Applicant's Guide, a publication of WIPO.

In these Notes, "Article", "Rule", and "Section" refer to the provisions of the PCT, the PCT Regulations and the PCT Administrative Instructions respectively.

INSTRUCTIONS CONCERNING AMENDMENTS UNDER ARTICLE 19

The applicant has, after having received the international search report, one opportunity to amend the claims of the international application. It should however be emphasized that, since all parts of the international application (claims, description and drawings) may be amended during the international preliminary examination procedure, there is usually no need to file amendments of the claims under Article 19 except where, e.g. the applicant wants the latter to be published for the purposes of provisional protection or has another reason for amending the claims before international pbulication. Furthermore, it should be emphasized that provisional protection is available in some States only.

What parts of the international application may be amended?

Under Article 19, only the claims may be amended.

During the international phase, the claims may also be amended (or further amended) under Article 34 before the International Preliminary Examining Authority. The description and drawings may only be amended under Article 34 before the International Examining Authority.

Upon entry into the national phase, all parts of the international application may be amended under Article 28 or, where applicable, Article 41.

When? Within 2 months from the date of transmittal of the international search report or 16 months from the priority date, whichever time limit expires later. It should be noted, however, that the amendments will be considered as having been received on time if they are received by the International Bureau after the expiration of the applicable time limit but before the completion of the technical preparations for international publication (Rule 46.1).

Where not to file the amendments?

The amendments may only be filed with the International Bureau and not with the receiving Office or the International Searching Authority (Rule 46.2).

Where a demand for international preliminary examination has been/is filed, see below.

How? Either by cancelling one or more entire claims, by adding one or more new claims or by amending the text of one or more of the claims as filed.

A replacement sheet must be submitted for each sheet of the claims which, on account of an amendment or amendments, differs from the sheet originally filed.

All the claims appearing on a replacement sheet must be numbered in Arabic numerals. Where a claim is cancelled, no renumbering of the other claims is required. In all cases where claims are renumbered, they must be renumbered consecutively (Administrative Instructions, Section 205(b)).

The amendments must be made in the language in which the international application is to be published.

What documents must/may accompany the amendments?

Letter (Section 205(b)):

The amendments must be submitted with a letter.

The letter will not be published with the international application and the amended claims. It should not be confused with the "Statement under Article 19(1)" (see below, under "Statement under Article 19(1)").

The letter must be in English or French, at the choice of the applicant. However, if the language of the international application is English, the letter must be in English; if the language of the international application is French, the letter must be in French.

NOTES TO FORM PCT/ISA/220 (continued)

The letter must indicate the differences between the claims as filed and the claims as amended. It must, in particular, indicate, in connection with each claim appearing in the international application (it being understood that identical indications concerning several claims may be grouped),whether

(i) the claim is unchanged;

(ii) the claim is cancelled;

(iii) the claim is new;

(iv) the claim replaces one or more claims as filed;

(v) the claim is the result of the division of a claim as filed.

The following examples illustrate the manner in which amendments must be explained in the accompanying letter:

1. [Where originally there were 48 claims and after amendment of some claims there are 51]:
"Claims 1 to 29, 31, 32, 34, 35, 37 to 48 replaced by amended claims bearing the same numbers; claims 30, 33 and 36 unchanged; new claims 49 to 51 added."

2. [Where originally there were 15 claims and after amendment of all claims there are 11]:
"Claims 1 to 15 replaced by amended claims 1 to 11."

3. [Where originally there were 14 claims and the amendments consist in cancelling some claims and in adding new claims]:
"Claims 1 to 6 and 14 unchanged; claims 7 to 13 cancelled; new claims 15, 16 and 17 added." or
"Claims 7 to 13 cancelled; new claims 15, 16 and 17 added; all other claims unchanged."

4. [Where various kinds of amendments are made]:
"Claims 1-10 unchanged; claims 11 to 13, 18 and 19 cancelled; claims 14, 15 and 16 replaced by amended claim 14; claim 17 subdivided into amended claims 15, 16 and 17; new claims 20 and 21 added."

"Statement under article 19(1)" (Rule 46.4)

The amendments may be accompanied by a statement explaining the amendments and indicating any impact that such amendments might have on the description and the drawings (which cannot be amended under Article 19(1)).

The statement will be published with the international application and the amended claims.

It must be in the language in which the international appplication is to be published.

It must be brief, not exceeding 500 words if in English or if translated into English.

It should not be confused with and does not replace the letter indicating the differences between the claims as filed and as amended. It must be filed on a separate sheet and must be identified as such by a heading, preferably by using the words "Statement under Article 19(1)."

It may not contain any disparaging comments on the international search report or the relevance of citations contained in that report. Reference to citations, relevant to a given claim, contained in the international search report may be made only in connection with an amendment of that claim.

Consequence if a demand for international preliminary examination has already been filed

If, at the time of filing any amendments under Article 19, a demand for international preliminary examination has already been submitted, the applicant must preferably, at the same time of filing the amendments with the International Bureau, also file a copy of such amendments with the International Preliminary Examining Authority (see Rule 62.2(a), first sentence).

Consequence with regard to translation of the international application for entry into the national phase

The applicant's attention is drawn to the fact that, where upon entry into the national phase, a translation of the claims as amended under Article 19 may have to be furnished to the designated/elected Offices, instead of, or in addition to, the translation of the claims as filed.

For further details on the requirements of each designated/elected Office, see Volume II of the PCT Applicant's Guide.

PATENT COOPERATION TREATY

PCT

INTERNATIONAL SEARCH REPORT

(PCT Article 18 and Rules 43 and 44)

Applicant's or agent's file reference	**FOR FURTHER ACTION**	see Notification of Transmittal of International Search Report (Form PCT/ISA/220) as well as, where applicable, item 5 below.
PAY00-003PCT		
International application No.	International filing date *(day/month/year)*	(Earliest) Priority Date *(day/month/year)*
PCT/US 01/ 21725	10/07/2001	10/07/2000
Applicant		
PAYPAL, INC.		

This International Search Report has been prepared by this International Searching Authority and is transmitted to the applicant according to Article 18. A copy is being transmitted to the International Bureau.

This International Search Report consists of a total of 2 sheets.

[X] It is also accompanied by a copy of each prior art document cited in this report.

1. **Basis of the report**

a. With regard to the **language,** the international search was carried out on the basis of the international application in the language in which it was filed, unless otherwise indicated under this item.

[ ] the international search was carried out on the basis of a translation of the international application furnished to this Authority (Rule 23.1(b)).

b. With regard to any **nucleotide and/or amino acid sequence** disclosed in the international application, the international search was carried out on the basis of the sequence listing :

[ ] contained in the international application in written form.

[ ] filed together with the international application in computer readable form.

[ ] furnished subsequently to this Authority in written form.

[ ] furnished subsequently to this Authority in computer readble form.

[ ] the statement that the subsequently furnished written sequence listing does not go beyond the disclosure in the international application as filed has been furnished.

[ ] the statement that the information recorded in computer readable form is identical to the written sequence listing has been furnished

2. [ ] **Certain claims were found unsearchable** (See Box I).

3. [ ] **Unity of invention is lacking** (see Box II).

4. With regard to the **title,**

[X] the text is approved as submitted by the applicant.

[ ] the text has been established by this Authority to read as follows:

5. With regard to the **abstract,**

[X] the text is approved as submitted by the applicant.

[ ] the text has been established, according to Rule 38.2(b), by this Authority as it appears in Box III. The applicant may, within one month from the date of mailing of this international search report, submit comments to this Authority.

6. The figure of the **drawings** to be published with the abstract is Figure No. 1

[X] as suggested by the applicant.

[ ] because the applicant failed to suggest a figure.

[ ] because this figure better characterizes the invention.

[ ] None of the figures.

INTERNATIONAL SEARCH REPORT

International Application No
PCT/US 01/21725

A. CLASSIFICATION OF SUBJECT MATTER
IPC 7 G07F7/08 G07F19/00

According to International Patent Classification (IPC) or to both national classification and IPC

B. FIELDS SEARCHED

Minimum documentation searched (classification system followed by classification symbols)
IPC 7 G07F

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched

Electronic data base consulted during the international search (name of data base and, where practical, search terms used)
EPO-Internal

C. DOCUMENTS CONSIDERED TO BE RELEVANT

Category °	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
X	WO 95 06294 A (NORRIS JEFFREY A) 2 March 1995 (1995-03-02) page 3 -page 6 page 4, line 19 - line 3	1-41
X	US 5 053 606 A (KIMIZU RYUICHI) 1 October 1991 (1991-10-01) column 4, line 1 -column 5, line 13	1-41
X	WO 95 16971 A (OPEN MARKET INC) 22 June 1995 (1995-06-22) figure 6 figure 12	1-41
X	US 5 963 917 A (OGRAM MARK E) 5 October 1999 (1999-10-05) abstract figure 1C	1-41

☐ Further documents are listed in the continuation of box C.

☒ Patent family members are listed in annex.

° Special categories of cited documents :

"A" document defining the general state of the art which is not considered to be of particular relevance

"E" earlier document but published on or after the international filing date

"L" document which may throw doubts on priority claim(s) or which is cited to establish the publication date of another citation or other special reason (as specified)

"O" document referring to an oral disclosure, use, exhibition or other means

"P" document published prior to the international filing date but later than the priority date claimed

"T" later document published after the international filing date or priority date and not in conflict with the application but cited to understand the principle or theory underlying the invention

"X" document of particular relevance; the claimed invention cannot be considered novel or cannot be considered to involve an inventive step when the document is taken alone

"Y" document of particular relevance; the claimed invention cannot be considered to involve an inventive step when the document is combined with one or more other such documents, such combination being obvious to a person skilled in the art.

"&" document member of the same patent family

Date of the actual completion of the international search	Date of mailing of the international search report
22 August 2002	29/08/2002

Name and mailing address of the ISA	Authorized officer
European Patent Office, P.B. 5818 Patentlaan 2 NL - 2280 HV Rijswijk Tel. (+31-70) 340-2040, Tx. 31 651 epo nl, Fax: (+31-70) 340-3016	Wolles, B

1

Form PCT/ISA/210 (second sheet) (July 1992)

INTERNATIONAL SEARCH REPORT

Information on patent family members

International Application No
PCT/US 01/21725

Patent document cited in search report	Publication date	Patent family member(s)		Publication date
WO 9506294 A	02-03-1995	AT	202864 T	15-07-2001
		AU	687880 B2	05-03-1998
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		CN	1132565 A	02-10-1996
		DE	69427642 D1	09-08-2001
		DE	69427642 T2	16-05-2002
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US 5963917 A	05-10-1999	US	5822737 A	13-10-1998
		US	2002096565 A1	25-07-2002
		US	6381584 B1	30-04-2002
		US	5991738 A	23-11-1999